



THE CITY OF SAN DIEGO

**SMALL BUSINESS ADVISORY BOARD  
MEETING MINUTES**

November 23, 2005

Comerica Bank Building  
600 B Street, Eighth Floor Large Conference Room  
San Diego, CA 92101

<b>BOARD MEMBERS PRESENT</b>	<b>BOARD MEMBERS ABSENT</b>
Faith Bautista Scott Cummins Judy Preston Warren Simon Richard Sims	Auday Arabo Kurt Chilcott Jesse Navarro Spencer Skeen Chi Tran Tony Vigil

<b>CITY STAFF</b>
Sue Blackman, Office of Small Business Kelly Broughton, Development Services Department Meredith Dibden Brown, Office of Small Business Ron Halbritter, Development Services Department

<b>OTHERS PRESENT</b>
Scott Kessler, Business Improvement District Council Shane Stahl, Greater San Diego Business Association Emily Yanushka, San Diego County Water Authority

## **Introduction**

- Chair Mr. Richard Sims called the meeting to order at 8:25 a.m. There was no quorum, therefore, no action items could be heard.

## **Approval of Minutes**

- Postponed until the January 25, 2006 meeting.

## **Public Comment**

- None provided.

## **Selection of 1<sup>st</sup> Vice-Chair**

- Postponed until the January 25, 2006 meeting.

## **Business Improvement District (BID) Council Report: Warren Simon, Hillcrest Association**

Mr. Simon highlighted the following BID Council activities:

- The BID Council received a report from Development Services Department on the unreinforced masonry issue.
- The Board of Directors appointed members to the City Care Benefits (Health insurance) Trustee Board. Their terms will begin in December 2005 and they will report to the BID Council Board. The City Care Benefits Program was renewed this year.
- The annual event “December Nights” will be held next weekend (December 2 and 3) in Balboa Park.
- Mr. Sims commented that the BID Council should be applauded by the San Diego community for their efforts in managing the “December Nights” event, adding that they have improved the event. The BID Council stepped in last year when it appeared that the event was going to be cancelled. The BID Council is in their second year of a three year contract to manage the event.

## **2006 Calendar and Annual Outreach Community Meeting**

- Mr. Sims stated that they want to be more proactive in ensuring that members attend the meetings. Distributing a calendar of meeting dates would be beneficial to members so they are aware of the meeting dates.
- Mr. Sims commented that Board members may want to consider changing the time of the meetings. Up until approximately 18 months ago, the meetings had started in the late afternoon. The meetings were then changed to 8:15 a.m., since members preferred having the meetings done in the morning. The Board will revisit the meeting dates and time in the future.
- The Annual Outreach Community Meeting will be held on February 22, 2006 and is tentatively scheduled (now confirmed) at the Recital Hall in Balboa Park. Sign-in for attendees will begin at 8:15 a.m. and the meeting will run from 8:30 a.m. to 10:00 a.m. Mayor Sanders has been invited to attend the meeting and to provide comments (now confirmed). Invitations to attend

will be sent to City Councilmembers, the BIDs, Chamber of Commerce, economic development partners including geographic- and ethnic-based chambers and business associations and City staff.

- The meeting provides an opportunity for the Board to be accessible to small businesses and also enables the Board to learn about core issues and concerns that are impacting the small business community. The issues and concerns brought forth at the outreach meetings provide agenda items for the Board's discussion and action throughout the year.
- Ms. Judy Preston expressed concern about the lack of attendance by the small business community at prior outreach meetings, because the outreach meetings present an opportunity for small business owners to come forward with issues.
- Mr. Warren Simon responded that in the past, the small business owners that have come forward at past outreach meetings have had problems with regulatory issues that couldn't be resolved by the BID nor by the Manager of Business Advocacy and Ombuds Services (located in the Office of Small Business of the Community and Economic Development Department). The Small Business Liaison (Mr. Ron Halbritter) of the Development Services Department (DSD) has been active in outreach and has resolved many problems before they reach the Board. Mr. Simon added that many of the issues brought to the Board at past outreach meetings pertained to DSD. As a result of their improvements in outreach and customer service facilitated by Mr. Kelly Broughton and management, positive results have occurred, which is being reflected in the lack of issues being brought to the Board. Mr. Sims acknowledged the changes that have been made, adding that DSD is only one entity within the City that interfaces with small business.
- Mr. Sims stated that the outreach meetings have enabled the Board to identify critical areas of concerns that create problems for small businesses. The meetings have also enabled the Board to mobilize political will and influence which has created a positive response to the existing issues. However, to a certain extent, he would like to see a broader constituency of small businesses come to the outreach meeting. The challenge is that many small businesses in San Diego are unaware of the SBAB and those who are aware of the Board aren't familiar with what they can and cannot do. The Board can be more effective in communicating with their constituency by making small businesses aware of their existence and what they are able and unable to do. Department staff prepares and issues a media release for the outreach meetings. Also, staff maintains an email distribution list with approximately 75 email addresses.
- Mr. Sims commented that OSB staff needs to ensure that all of the chambers and small business entities are notified of the outreach meeting, adding that they could be notified by email. He suggested that the BID Council share their list(s) with OSB. It is equally important to have small business owners at the outreach meeting, because the Board wants to know about the issues that are impacting them.
- Ms. Preston noted that the BID Council may have some issues that could serve as agenda topics for the next year.
- Mr. Scott Kessler of the BID Council remarked that OSB does a great job advertising the outreach event, but additional advertising strategies could facilitate their outreach marketing efforts. He proposed having a couple of hot policy issue topics such as parking and big box retail as agenda items to increase the interest and attendance for the event. Mr. Sims asked Mr. Kessler to forward three or four agenda issues to Ms. Blackman.

- Ms. Blackman noted that if they receive confirmation from the Mayor or a senior staff member that they would be present to speak, that should generate a great deal of interest in the event.
- Mr. Broughton observed that the President of the Council is also an important position, because they will have an influential role in land use policy issues.
- Ms. Blackman reported that both Ms. Meredith Dibden Brown and herself had been approached on regulations pertaining to home-based businesses, since there is confusion pertaining to the regulations. It was requested that the item be placed on the March agenda.

#### **Office of Small Business Report: Sue Blackman, Office of Small Business (OSB)**

Ms. Sue Blackman provided the following update:

- Ms. Janet Wood has retired from the City.
- Ms. Dibden Brown and herself met with the North City Chamber of Commerce last week. The Chamber area encompasses the communities of Mira Mesa, Rancho Bernardo, Rancho Penasquitos (North City Inland from I-805 east to Poway). They learned about the issues that they have and also provided information on programs that the City provides to small businesses. One of the significant issues they are facing pertains to the confusion in regulations pertaining to home-based businesses. Mr. Sims suggested getting participation from the North City Chamber of Commerce for the outreach meeting.
- Attended the San Diego Regional Chamber of Commerce Small Business Advisory Committee Meeting. They were setting up their agenda for 2006. One of the issues they discussed was opposing the proposed elimination of the U.S. Small Business Administration. Ms. Blackman requested that the Chamber Committee also include support for local and State government business offices. The Chamber Committee agreed to include the language in their motion.
- The “ABCs to Starting, Growing and Financing Your Small Business” Seminar is scheduled for Wednesday, November 30, 2005 at 3:30 p.m. The Seminar will be held at the new College-Rolando Library at 6600 Montezuma Road.
- Ms. Dibden Brown announced that she brought new City Care Benefits brochures for interested members. The new brochures have eight bracketed premiums. The old brochures have a composite rate for all age groups, adding that the program is still available.
- Mr. Sims noted that the cost of health care continues to escalate for all businesses and the cost is now being passed on to the employees. He added that it is becoming a competitive issue, because quality employees want to work for a business that provides health benefits. This will impact small businesses. He suggested that members may want to consider having a workshop on the issue of health care benefits. Ms. Blackman added that she is hearing that employee retention is an important issue for the small business community.

#### **Development Services Department Report: Kelly Broughton and Ron Halbritter, Development Services Department (DSD)**

Mr. Broughton reported the following information:

- The capital improvement projects are being impacted, due to the budget and the City's inability to bond. They have seen a large exodus in the Engineering classification, noting that they have lost two more civil engineers in DSD.
- Anticipating staff turnover, since many employees are actively seeking outside employment in other jurisdictions, because they provide better salaries and benefits. They have had some success in recruitment in some of their classifications from outside the San Diego area.
- Commented that DSD has been identified as one of the departments for privatization or reorganization. Mr. Broughton noted that they are still focused upon customer service, which includes being responsive to all of their customers. They are also continuing to focus improving upon all of their systems and automation. They have been advocating restructuring on their own.
- Land use decisions will also be impacted by the philosophies of the two new Councilmembers in Districts 2 and 8.
- Mr. Halbritter commented that there are three trends, based upon the observations in his small business liaison duties: 1.) "Condo-izing" of retail businesses, particularly in North Park, 2.) Regulating of Ebay home-based businesses, and 3.) Medical marijuana – a.) the doctors that write the recommendations (not a prescription), b.) the actual dispensary where they sell the medical marijuana, and c. ) the delivery services.
- Ms. Preston expressed concern about the exodus of staff leaving the City and the impact it will have on services. She stated that she would be supportive of writing a letter supporting DSD, citing the improvements that they have made. She acknowledged the efforts of Mr. Broughton and Mr. Halbritter.
- Mr. Sims responded that it may be premature at this point to provide a letter of support, because no decisions have been made yet. He stated that the Board can develop a positive dialogue and articulate the needs of the small business community relative to DSD.

#### **New Business**

- None provided.

#### **Meeting Adjournment**

- The meeting was adjourned at 9:50 a.m.